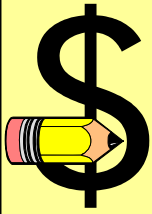


May 2005



SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

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This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward this newsletter to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

FY2005-06 Post Legislative Preliminary Budget Data Sheets and Other Budgeting Tools Available

The School Finance Division has released FY06 Post-Legislative Preliminary Budget Data Sheets to assist schools in budgeting for the 2005-06 school year. The data sheets may be accessed at the following link: http://www.metnet.state.mt.us/SchoolFinance/School_Finance/0001C05B-80000007/. Other budgeting tools are available: FY2005-06 General Fund Budget and Voting Limits chart (with graphs) may be accessed at: http://www.metnet.state.mt.us/schoolfinance/School_Finance/0001C691-80000007/ and Excel spreadsheets may be accessed at <http://www.opi.state.mt.us/schoolfinance/excel.html>. **Contact: Nica Carte, (406) 444-4401 or ncarte@mt.gov.**

2nd Semester Transportation Claims due in May

TR-5 (Individual Transportation Claim) and TR-6 (Bus Route Transportation Claim) forms for second semester reimbursement were posted on OPI's website in mid-April. Completed claim forms are due to the county superintendent by **May 10**. The County Superintendent must send the completed forms to OPI by **May 24**. Timely claims will be paid in mid-June. According to administrative rules, OPI must withhold the 2nd semester payment until September for claims received after May 24. **Contact: Maxine Mougeot, (406) 444-3096 or mmougeot@mt.gov.**

Changes to Commercial Driver's License (CDL) Requirements

OPI has received notification of changes to the Commercial Driver's License (CDL) requirements that will impact school bus drivers, including regular route and activity drivers, mechanics, contracted personnel, sales people and others that would drive an empty school bus for maintenance or other purposes. Currently, drivers must have a minimum intra-state CDL rated for the weight of the vehicle driven and a "P" (passenger) endorsement. Effective September 30, 2005 drivers must obtain an "S" (school bus) endorsement if operating a yellow route bus for regular or activities transportation. Drivers must pass a 20-question written test and a skills test in a school bus of the same vehicle group the driver will operate. For more details about the "S" endorsement, including testing opportunities, access this link: <http://www.opi.state.mt.us/PupilTransport/index.html> or **contact Maxine Mougeot, (406) 444-3096 or mmougeot@mt.gov.**

**Montana
Association for
Pupil
Transportation
(MAPT)
Conference**

The annual MAPT conference will be held June 22, 23 and 24 in Hamilton. All Montana school bus drivers are encouraged to participate in this extraordinary driver training opportunity. Conference registration forms and motel information can be found at <http://www.opi.state.mt.us/PupilTransport/index.html> (click on "Training"). Registration forms should be sent to **Betty Kunkel, Cascade County Superintendent (406) 454-6776** or email schools@co.cascade.mt.us.

**OPI Distributes
Indirect Cost
Rate
Applications for
FY06 Grant
Projects**

Applications for indirect cost rates for FY2005-06 are now posted on the OPI website at <http://www.opi.state.mt.us/schoolfinance/acct.html>. Indirect cost recoveries are OPTIONAL; but you must have a rate approved by OPI if you intend to claim indirect cost recoveries from grants administered by OPI or received directly from a federal agency or another state agency. Application forms are due to OPI by **May 31, 2005**. **OPI Contact: Jim Oberembt, (406) 444-1257** or joberembt@mt.gov.

**Have You
Requested
Grant Cash?**

Please review all district and cooperative grant projects to make sure your district submitted a cash request for funds. Delaying use of grant funding can result in losses if funds are not obligated by the deadlines. OPI federal accountants are available for questions: **Jurenne Fuchs, (406) 444-2560**, jfuchs@mt.gov; **Pat Dawes, (406) 444-3408**, pdawes@mt.gov; **Madilon Beatty, (406) 444-4403**, mbeatty@mt.gov.

**Time to Check
Special
Education
Spending to
Avoid
"Reversion"**

Now is a great time to ensure your district will spend the required amount for special education to avoid "reversion". Reversion means refunding state special education allowable cost funding to the state if the district failed to spend the state funding plus the required \$1 for \$3 match. Verify the match for related services block grant was remitted to the cooperative consistent with the requirements of 20-9-321 MCA. If you need additional special education expenditures to avoid reversion, consider sending an additional contribution to the cooperative to support the cooperative's expenses. Payments to a special education cooperative are counted toward the district's "spending to avoid reversion". For more information on special education funding and reversion, go to this link: <http://www.opi.state.mt.us/SchoolFinance/SpecEd.html>. **Contact: Jim Oberembt, (406) 444-1257** or joberembt@mt.gov.

**Applications for
Anticipated
ANB Increases**

Districts may submit applications for an increase in ANB for FY2005-06 through June 1. Districts may be eligible for an increase if the anticipated enrollments exceed average current year enrollment counts by more than 6%. OPI must review actual enrollment in FY2005-06 to verify approved increases actually materialized. **Contact: Tal Redpath (406) 444-3024** or tredpath@mt.gov.

**MASBO
Summer
Conference**

The Montana Association of School Business Officials (MASBO) will hold its annual summer conference in Butte on June 15, 16 and 17, 2005. **To register, call Lynda Brannon at (406) 442-5599 or email masbo@intch.com.**

**School
Budgeting and
Accounting
Workshops**

Following are the dates and locations for the summer workshops:

Wednesday, July 6	Havre
Thursday, July 7	Great Falls
Tuesday, July 12	Sidney
Wednesday, July 13	Miles City
Thursday, July 14	Billings
Tuesday, July 19	Kalispell
Wednesday, July 20	Missoula
Thursday, July 21	Butte

Workshops are presented by School Finance Division staff, are free of charge, and are open to anyone interested in school budgeting and accounting. Watch your email for more information and registration materials in early May. **Contact: Nica Carte, (406) 444-4401 or ncarte@mt.gov.**

**Free MAEFAIRS
Training**

The School Finance Division will offer MAEFAIRS training on Wednesday, July 27, in Helena. This training is designed for school district personnel responsible for completing the Trustees Financial Summary (TFS) and Budget reports. **Contact: Nica Carte, (406) 444-4401 or ncarte@mt.gov.**

**Legislative
Overview**

The Office of Public Instruction, along with its education partners, is preparing a *Summary of Legislation Related to K-12 Education* for the 2005 legislative session. The publication will be available in mid-June. Here is a brief description of key legislation and appropriations related to school funding:

K-12 BASE Aid – HB63 raises the per student funding by \$250 for each elementary ANB and \$100 for each high school ANB. HB63 also allows for three year averaging of enrollment numbers and allows school districts to permissively levy up to the same amount of over-BASE property tax revenue levied in the prior fiscal year. This provision does not increase a district's budget limit, but it does allow a district to levy without a vote the same amount of over-BASE property taxes as in the prior school year if the budget limit allows.

Special Education – HB2 included a \$6.6 million increase in state funding to cover costs of educating students with special needs.

Facility Bond Reimbursements – Under HB2, a total of \$4.1 million additional money will be available for the next biennium.

Career & Technical Education – Funding was increased by \$570,000 for the biennium. The current program is funded at \$715,000/year.

Gifted & Talented Program – Funding was increased by \$200,000 for the biennium. The program currently distributed \$150,000/year.

Indian Education for All – HB2 funding includes \$2.3 million to OPI for development of Indian Education for All curriculum, materials, and teacher professional development; \$1.1 million for grants for up to 50 school districts to implement model curriculums; and \$1.1 million to Montana's seven tribal colleges to develop tribal histories for all Montana tribes to integrate into curriculum.

School Funding Lawsuit – Passage of SB152 developed a definition to establish a basic system of free quality schools and sets forth educational goals for students, defines the "educationally relevant factors" necessary for providing that quality education, and identifies key issues that need to be addressed in the new school funding formula.

SB525 establishes an interim legislative committee to research and develop the new funding formula for the anticipated December 2005 Special Session. The interim committee members are Senators Jon Tester, Don Ryan, Bob Story, and Dave Lewis and Representatives Holly Raser, Monica Lindeen, Bill Glaser, and Pat Wagman. In addition, three non-voting ex-officio members of the committee include State Superintendent Linda McCulloch, Board of Public Education Chair Kirk Miller, and David Ewer, Governor's Budget Director. SB525 includes a \$200,000 appropriation to cover costs of the committee and further research costs in developing the new funding formula.

Useful Websites

List of all Official OPI E-Mails: http://www.metnet.state.mt.us/Official_Mail

OPI's GASB 34 Web Page:

<http://www.opi.state.mt.us/schoolfinance/gasb34.html>

Let us know if you are looking for a particular form, and we'll do our best to provide it electronically!

Bus Safety and Driver Training Videos:

<http://www.opi.state.mt.us/pdf/pupiltransport/TrainingVideos.pdf>

OPI's "Get Answers" searchable databases for School Finance:

http://data.opi.state.mt.us/scripts/rightnow.cfg/php.exe/enduser/std_alp.php?p_sid=VtNdSksh&p_lva=&p_li=&p_page=1&p_prod_lv1=2&p_prod_lv2=%7Eany%7E&p_cat_lv1=%7Eany%7E&p_search_text=&p_new_search=1&p_search_type=3&p_sort_by=dfilt

School Finance forms and publications:

<http://www.opi.state.mt.us/schoolfinance/forms.html>

FP-14 Student Attendance Agreement:

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14Fillin.pdf>

FP-14A Special Tuition Rates (used with FP-14)
<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14AFillin.pdf>

2005 Elections Calendar:
<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/2005Calendar.pdf>

CFDA Numbers for Federal Grants: <http://www.opi.state.mt.us/FederalPrograms/handbook.html>
(Appendix F of the OPI State and Federal Grants Handbook)

Budget Amendment Packet: OPI offers a packet of information about the budget amendment process for school districts:
<http://www.opi.state.mt.us/pdf/schoolfinance/forms/2002bapacket.pdf>

Montana Codes Annotated (MCA) Online:
<http://www.opi.state.mt.us/masterMCASearch.html>

Pupil Transportation link for MAPT Conference information and training opportunities:
<http://www.opi.state.mt.us/PupilTransport/index.html#train>

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